



**House Ways and Means Committee
Maryland General Assembly**

Dear Chair and Members of the Committee,

My name is Greg Miller, and I am the Executive Director of the Center for Land Economics. We work to help cities become more prosperous by putting land at the center of economic policy. I previously served as an Analyst at the U.S. Department of Housing and Urban Development.

I am writing in support of **HB0078**, which would give local governments in Maryland the authority to consider setting different property tax rates for **land** and for **buildings**.

This matters because property taxes are really two taxes in one: a tax on the building, and a tax on the land underneath it. But these two taxes create different incentives. When we tax buildings heavily, we discourage property owners from improving them. When we tax land appropriately, we discourage land speculation and reward productive use. We want more building, and we want less land speculation.

Maryland is working to strengthen development in places like **Baltimore** and along transit corridors, including areas served by **Metro stations** and the **Purple Line**. In these locations, we want more housing, more businesses, and more investment near transit. Those outcomes depend on the incentives the tax system creates.

I model the impacts of setting different tax rates for land and buildings in cities and states across the United States. This work helps local leaders understand what a shift could mean for housing production, investment, redevelopment of vacant or underused sites, and long-term revenue stability. In practice, I have found that cities cannot seriously evaluate this option until they have the legal authority to use it. Without enablement, there is little incentive for staff and stakeholders to spend time doing detailed analysis on a tool they may not be allowed to adopt.

That is why **HB0078 is important**. It is enablement. It does not force any county or municipality to adopt a new tax structure. It simply gives local governments clear authority to explore this option, study the data, model scenarios, and decide what makes sense for their communities.

Right now, at least six states are actively considering similar enablement: **New York, Washington, Minnesota, Virginia, Ohio, and New Hampshire**. Maryland has an opportunity to be a leader by giving local governments the tools they need to encourage growth where it makes the most sense.

For these reasons, I respectfully urge a **favorable report** on HB0078.

Sincerely,

Greg Miller

Executive Director, Center for Land Economics